

**Activity report. Meetings on Performance Auditing and Interaction Parliament – Audit Office at the Provincial Level and Performance Audit Training Course for Regional ACs. February 12- February 24, 2006**

<p><b>PPF MISSION FRAMEWORK AND STRATEGY</b></p> <p><b>INTENDED OUTCOMES.</b></p> <p><i>100-200. Improved performance audit capacity of ACRF and regional ACs and capacity of FA and regional dumas to efficiently and transparently liaise with respective AC on issues arising from performance audits.</i></p> <p><b>RELEVANT OUTPUTS:</b></p> <p><i>100. Enhanced buy-in by and capacity of ACRF and/or regional pilot ACs to conduct performance audits and to generate and publicize transparent and accurate reports. Wherever possible, audits should be gender-sensitive.</i></p> <p><i>200. Strengthened buy-in by and capacity of FC Commission on Interaction with the ACRF and/or State Duma Subcommittee for Cooperation with the ACRF and/or select regional dumas to consider and utilise audit reports by the ACRF and regional ACs.</i></p> <p><b>FEBRUARY 2006 ACTIVITY CONTRIBUTING TO RESULTS:</b></p> <p><i>A two-week visit to Canada:</i></p> <p><i>Week 1. Meetings in Toronto for Tyumen, Tatarstan and Leningrad ACs and legislatures, ACRF and AACRF to study performance auditing of agriculture and transportation and interaction parliament-audit office at the provincial level and to study Canadian agriculture and transportation systems.</i></p> <p><i>Week 2. Performance audit training course for Tatarstan and Tyumen ACs held in Ottawa;</i></p> <p><b>CONTRIBUTION OF ACTIVITY TO CIDA PRIORITIES:</b></p> <p><i>The visit contributed to CIDA’s priority of promoting democratic development by strengthening oversight of the executive branch at the regional level.</i></p>	<p><b>PROGRESS TO DATE</b></p> <p><b>CONTRIBUTION OF LATEST ACTIVITY TO RESULTS:</b></p> <p>The visit was the first and key activity focused on building the performance audit capacity of Tatarstan and Tyumen, the new pair of regions recently included in the project.</p> <p>As a result of the training course delivered by PC and meetings on performance auditing at the provincial level key members of the audit teams of Tatarstan and Tyumen AC are now well acquainted with Canadian practices in all aspects of the audit process and will be using this knowledge extensively in conducting their pilot audits. The Leningrad AC is also prepared for its new round of performance audits focused on agriculture and transportation<sup>1</sup>.</p> <p>The visit contributed to strengthening the working relationships between the regional legislatures and ACs in Tatarstan and Tyumen. Regional legislatures are now familiar with Ontario experience in audit-office parliament relations with regards to performance audits and have a better understanding of the role they would play in holding hearings on ACs' pilot audit reports and in introducing performance auditing in their regions.</p> <p>Expert Canadian assistance was also provided in the development of a training tool on performance audit, the next of a series of materials published by the ACRF in order to assist in the process of introducing performance auditing in the Russian Federation.</p>
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<sup>1</sup> Following the success of the 2005 pilot audit on healthcare the Leningrad Legislative Assembly asked its AC to conduct two new performance audits in the areas of agriculture and transportation.

**RESULTS ACHIEVED BY LATEST ACTIVITY:**

*Output indicator 100. Training tools on performance auditing developed; Number of people trained; Number of documents on performance audit produced.*

**(1) Tatarstan and Tyumen ACs are now prepared to start work on their pilot audits.** As a result of the training course delivered by PC and meetings on performance auditing at the provincial level key members of the audit teams of Tatarstan and Tyumen AC are well acquainted with Canadian practices in all aspects of the audit process and will be using this knowledge extensively in conducting their pilot audits. Based on lessons learned from work with a first pair of regions in 2005<sup>2</sup>, PC delivered a new improved version of the training course allowing for increased participation by the trainees. Discussions of similarities and differences between the Russian and Canadian systems were also incorporated in the course in order to ensure appropriate transfer of experience.

The delegation was provided with copies of OAG audit reports, as well with as a wealth of documents on parliament-audit office relations and managing and evaluating agriculture and road construction programs in Canada and Ontario. This information will also be used in the audit process.

**(2) At a marginal cost for the project the Leningrad AC is now prepared for a new round of performance audits focused on agriculture and transportation.** The Leningrad AC is now familiar with Canadian experience in auditing agriculture and road construction programs which will be used in the audit process.

**(3) Members of the delegation were provided with performance audit training course-packs in Russian.** These materials, and other knowledge gained during the visit, will be used by delegates to disseminate experience to other members of their audit teams.

**(4) PC provided expert assistance in the development of a training tool on performance audit,** one of a series of materials published by the ACRF in order to assist in the process of introducing performance auditing in the Russian Federation.

*Output indicator 200. Increased working contacts between select regional ACs and select regional Dumas*

**(1) The visit contributed to strengthening the working relationships between the regional legislatures and ACs in Tatarstan and Tyumen.** Regional legislatures are now familiar with Ontario experience in audit-office parliament relations with regards to performance audits and have a better understanding of the role they would play in holding hearings on ACs' pilot audit reports and in introducing performance auditing in their regions.

**(2) The visit contributed to improving further the working relationships between the Leningrad Legislative Assembly and AC.** Anatoly Zaitsev Chair of the Budget Committee of the Leningrad AC, which is the primary parliamentary body responsible for reviewing AC audit reports, participated in part of the visit. This helped to prepare him for the hearings of the Leningrad AC audit reports on agriculture and transportation that will be held in the fall of 2006.

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<sup>2</sup> A similar training course was conducted with Leningrad and Voronezh ACs in February 2005.

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**VALUE-ADDED OF PC TEAM IN ACHIEVING RESULTS:**

Resorting to expertise accumulated during many years of working experience as senior public service executives, Program Director Amelita Armit and Senior ASP Advisor David Rattray delivered for the delegation presentations on the Canadian budget process and audit system. David Rattray also played a key role in developing and delivering the performance audit training course for regional ACs. Utilizing their substantial knowledge of both the Canadian and Russian context, all members of the PC team played an important facilitating role at meetings held ensuring a highly productive dialogue between Canadian officials and experts and Russian partners.

**Glossary of terms:**

**AACRF:** Association of the Accounting Chambers of the Russian Federation

**ACRF:** Accounting Chamber of the Russian Federation

**AC:** Accounting Chamber

**FC:** Federation Council

**PC:** Parliamentary Centre